

Rhode Island Economic Development Corporation

Enterprise Zone Council

Minutes of Meeting of October 23, 2012

RIEDC: Narragansett Room

315 Iron Horse Way, Suite 101

Providence, RI 02908

In attendance:

COUNCIL AFFILIATION

D. Varin Vice Chairman

R. Caniglia Stand Corporation

M. Wood RI League of Cities and Towns

B. Parsons RIEDC

D. Langley Urban League of Rhode Island

OTHER AFFILIATION

V. Barros RIEDC

J. Garrahy Moses Afonso Ryan LTD

W. Clark Town of Portsmouth

M. Godin ED Foundation of RI

K. Cosentino City of Providence

J. Rhodes Statewide Planning

K. Nickson Morris Town of Cumberland

C. Cardozo RIEDC

Fred Presley Town of West Warwick

Alan Crisman Ctr. for Economic Development

At 10:00 Mr. Varin called the meeting the Rhode Island Enterprise Zone Council to order and noted there was a quorum present. He directed the Council attention to a revised agenda that was emailed to everyone last week.

Mr. Barros explained that the revision was due to the removal of an agenda item related to the town of Middletown's enterprise zone designation request.

The first item of business before the Council was the Meeting Minutes from July 24, 2012.

Mr. Caniglia made a motion to approve the July meeting minutes. The motion was seconded by Mr. Wood. Mr. Parson abstained from the vote because he was not present at the July meeting. Mr. Varin asked if there were any additional comments or questions. There being no further discussion, all voted in favor and the motion was approved.

The next order of business before the Council was a Recommendation for 2011 Certification.

Mr. Barros stated that there was one (1) businesses being presented for 2011 year-end certification, TD Bank located in downtown Providence, the Providence II enterprise zone. He stated that the

business had declared its status as c-corps and satisfied the requirements of EZ year-end tax certification; as a result, staff recommended approval of the business, bringing the year-to-date total to ten (10) businesses resulting in one hundred fifty six (156) new full-time jobs created in 2011.

Mr. Varin asked for a motion to approve the 2011 recommendation for certification. Mr. Caniglia made the motion which was seconded by Mr. Parsons. Mr. Varin asked if there was any further discussion. There being no further discussion, all voted in favor and the motion was unanimously approved.

The next order of business before the Council was an Update on the Re-designation of the Providence II Enterprise Zone.

Mr. Barros provided a status update on the re-designation of the Providence II EZ. He stated that the city will be seeking re-designation of a slightly modified zone, substituting census tract 22 for census tract 16 in order to capture all of Olneyville Square which changed census tracts when new boundaries were drawn in the 2010 census. Some of Olneyville moved from census tract 19 to census tract 16.

Ms. Cosentino explained that the city did not want to lose the whole Olneyville section of Olneyville Square because it's a major redevelopment area for the city. The only way of maintaining all of Olneyville in the zone and to stay within the mandate of five

contiguous census tracts was to include census tract 16 and drop an existing EZ census tract. The city chose to drop census tract 22. With the 2010 census boundary changes much of what was within census tract 22 is now in census tract 25 which is in the zone, so the city selected to exchange census tract 16 for census tract 22. This change will impact only two businesses. They will be no longer in within the boundaries of the re-designated Providence II Enterprise Zone.

The next order of business before the Council was Other Business.

Mr. Barros talked why the agenda had to be revised. He explained that the town of Middletown asked to postpone their zone designation request. The town had requested more time to bolstered their zone designation proposal to the Council.

Mr. Garrahy advised the Council that in order to be in compliance with the Open Meetings Law, the Council should make a motion to add a non-voting discussion of the topic to the agenda.

Mr. Varin asked for a motion to amend the agenda to include a discussion of the Middletown zone designation request. Mr. Parsons made the motion; the motion was seconded by Mr. Langley. All voted in favor and the motion was unanimously approved.

Mr. Varin informed the Council that the Middletown EZ Designation was now on the agenda and could be discussed but only as an

informational item; no vote can or will be considered or taken.

Mr. Barros stated that legislation was passed in 2011 authorizing the Council to designate an EZ in Middletown, the following year in 2012, additional legislation was passed revising the census tracts of the proposed Middletown EZ. The town must come to the Council for designation of the zone. Looking at some of the key economic indicators and demographics, it appears that most of the census tracts of the proposed EZ would not be considered economically distressed by conventional standards.

Mr. Garrahy stated the legislation says that the Council ‘may’ designate it as a zone and that it must meet distressed criteria.

A general discussion ensued about the challenges of designating the Middletown zone based on the town’s lack of distressed demographic characteristics.

Mr. Crisman asked whether the town of reached out to the city of Newport to consider the possibility of a joint zone designation proposal which may greatly benefit from drawing on some of the low-to-moderate demographics of the proposed Newport EZ.

Mr. Langley stated that approving this zone in Middletown would be defeating the purpose of enterprise zones: why would a business come to a distressed area of Providence with high employment when

you can go to Middletown and get the same benefits? Takes the focus away from the distressed areas that we are trying to promote and revitalize.

A general discussion continued about the viability of enterprise zones in places like Middletown and other less distressed areas of the state.

Mr. Rhodes asked if he could provide the Council with some information about the HUD Sustainable Communities Regional Planning Grant. Mr. Garrahy again advised the Council that in order to be in compliance with the Open Meetings Law, the Council should make a motion to add a non-voting discussion of the topic to the agenda.

Mr. Varin asked for a motion to amend the agenda to include a discussion of the HUD Sustainable Communities Regional Planning Grant. Mr. Parsons made the motion; the motion was seconded by Mr. Wood. All voted in favor and the motion was unanimously approved.

Mr. Rhodes stated that the \$1.9M grant had six or seven purposes. Of primary importance is that statewide planning will be working to develop a new integrated economic development plan for the state. The entire project is being headed by a consortium of 19 entities including various departments of state government, multiple municipalities and several non-governmental organizations. That

consortium will be working with a social equity advisory committee which will be established to function as a primary filter for all the content generated. To make sure the plan is taking into consideration social equity and the needs of underserved populations.

He talked about a call for nominations to social equity advisory committee and asked for the Council's and local points of contact's help in recommending individuals for the committee. He added that there is a nomination process that is ongoing on a rolling basis and that they are looking for 10-15 individuals to commit to the process.

Mr. Varin asked if there was any other business to come before the Council. There being none, he asked for a motion to adjourn. Mr. Parsons made the motion which was seconded by Mr. Caniglia. All voted unanimously in favor of the motion to adjourn.